

HEARING DATE AND TIME: March 1, 2011 at 9:45 a.m. (Eastern Time)  
OBJECTIONS DEADLINE: February 22, 2011 at 4:00 p.m. (Eastern Time)

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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	:	Chapter 11
	:	
MOTORS LIQUIDATION COMPANY, <i>et al.</i> ,	:	Case No. 09-50026 (REG)
f/k/a General Motors Corp., <i>et al.</i> ,	:	
	:	(Jointly Administered)
Debtors.	:	
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**LIMITED OBJECTION TO THE DEBTORS' MOTION FOR ENTRY  
OF AN ORDER ESTIMATING THE MAXIMUM AMOUNT OF CERTAIN  
CLAIMS FOR THE PURPOSES OF ESTABLISHING CLAIM RESERVES  
UNDER THE DEBTORS' AMENDED JOINT CHAPTER 11 PLAN**

Watkins Trucks, Inc., by and through its undersigned counsel, hereby file this limited objection to the Debtors' Motion for Entry of an Order Estimating the Maximum Amount of Certain Claims for the Purposes of Establishing Claim Reserves under the Debtors' Amended Joint Chapter 11 Plan, as follows:

1. Watkins Trucks, Inc., a Delaware corporation, was a General Motors truck dealer for over 50 years. Its dealership agreement was rejected by the Debtors during this proceeding. In connection with the rejection of its dealership agreement, it has filed two

pre-petition unsecured rejection damage claims, Claim No. 21852 and Claim No. 70388. Each of the original and amended claim assert a partially unliquidated claim for indemnification, a contract right afforded to them under their now rejected dealer agreement.

2. In the case of Claim No. 21852, a general request for indemnification was asserted to protect Watkins Trucks, Inc.'s right to indemnification for tender of defense costs and payment of any judgment in the event any personal injury claims or asbestos related claims related to GM parts or products were asserted against Watkins Trucks, Inc. ("Product Liability Claims").

3. Watkins Trucks, Inc. Claim No. 70388 amended the previous proof of claim to make a direct assertion of what can be characterized under the Debtors' Amended Joint Chapter 11 Plan as an Indirect Asbestos Claim in connection with a suit that was filed on June 24, 2010 by a plaintiff who alleged that he suffered asbestos exposure as a result of General Motors parts sold by Watkins Trucks, Inc.

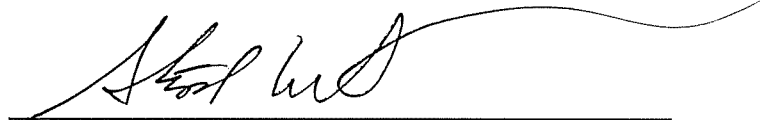
4. Watkins Trucks, Inc. has no objection to having its unsecured rejection damage claims capped at \$607,563.19, with respect to non-Product Liability Claims. To the extent that there is any need on the part of the Debtors to estimate a reserve for such possible indemnification claims, Watkins Trucks, Inc. would be willing to agree to an estimation cap on non-asbestos litigation claims of an additional \$500,000.

5. With respect to its asserted Indirect Asbestos Claim, if the Debtors' Amended Joint Chapter 11 Plan is confirmed by this Court, the Indirect Asbestos Claim(s) would be channeled to the MLC Asbestos PI Trust and would be liquidated pursuant to the Asbestos

PI Trust Distribution Procedures. Watkins Trucks, Inc. asserts that there is no need to cap the estimated value of this claim at this time. Watkins Trucks, Inc. is willing to agree that such Indirect Asbestos Claim would not be treated as a claim in Class 3 of the current Amended Joint Chapter 11 Plan if a separate Class 5 as contemplated under the Plan is created and funded for the disposition of Indirect Asbestos Claims after confirmation of the Plan.

WHEREFORE, Watkins Trucks, Inc. objects to the estimation of its unliquidated claims both for general litigation and Indirect Asbestos Claims at \$-0- as provided herein.

PHILLIPS, GOLDMAN & SPENCE, P.A.



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Dated: February 21, 2011

**CERTIFICATE OF SERVICE**

I, CELESTE A. HARTMAN, Senior Paralegal, hereby certify that I am over the age of 18, and that on February 21, 2011, a copy of the attached *Limited Objection to the Debtors' Motion for Entry of an Order Estimating the Maximum Amount of Certain Claims for the Purposes of Establishing Claim Reserves under the Debtors' Amended Joint Chapter 11 Plan* was served upon the persons on the attached list, via overnight carrier.

Under the penalty of perjury, I certify the foregoing to true and correct.

  
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